

May 12, 2009

Los Angeles County Board of Supervisors

> Gloria Molina First District

Mark Ridley-Thomas Second District

> Zev Yaroslavsky Third District

> > Don Knabe Fourth District

Michael D. Antonovich
Fifth District

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

# APPROVAL TO EXTEND SIX SPECIALTY MEDICAL SERVICES PHYSICIAN REGISTRY AGREEMENTS (ALL DISTRICTS) (3 VOTES)

## SUBJECT

John F. Schunhoff, Ph.D. Interim Director

Robert G. Splawn, M.D. Interim Chief Medical Officer Request approval to extend six agreements for specialty medical physician registry services at Department of Health Services medical facilities.

#### IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Authorize the Interim Director of Health Services, or his designee, to execute amendments to Agreement No. H-212400 with Anesthesia Provider Group (APG), No. H-212401 with San Fernando Valley Anesthesia Medical Group, Inc. (SFVAMG), and No. H-701850 with Pacific Anesthesia Provider Group (PAPG), for the provision of as-needed physician anesthesiology services, to extend the term of each Agreement for 12 months, effective July 1, 2009 through June 30, 2010, at the current rates listed in the Agreements, at an estimated annual cost of \$4,550,000.
- 2. Authorize the Interim Director of Health Services, or his designee, to execute Amendment No. 3 to Agreement No. H-700106 with National Medical Registry, Inc. (NMR), effective upon the date of Board approval for the provision of as-needed physician anesthesiology services at High Desert Health System (HDHS), to increase the maximum obligation for Fiscal Year (FY) 2008-09 from \$72,000 to \$90,000 and extend the Agreement term for 12 months, from July 1, 2009 through June 30, 2010 with a maximum obligation of \$90,000 for the extended period (FY 2009-10), at the current rates in the Agreement.

313 N. Figueroa Street, Suite 912 Los Angeles, CA 90012

> Tel: 213-240-8101 Fax:213-481-0503

#### www.dhs.lacounty.gov

To improve health through leadership, service and education



- 3. Authorize the Interim Director of Health Services, or his designee, to execute Amendment No. 1 to Agreement No. H-702620 with Mediscan Diagnostic Services, Inc. (Mediscan), for the continued provision of part-time/intermittent physician specialty medical services in the areas of radiology, cardiology, and oncology, to extend the term of the Agreement for 12 months, effective July 1, 2009 through June 30, 2010, at the current rates listed in the Agreement, at an estimated annual cost of \$777,000.
- 4. Authorize the Interim Director of Health Services, or his designee, to execute Amendment No. 1 to Agreement No. H-700283 with USC Radiology Associates, Inc. (USCRA), for the continued provision of part-time/intermittent physician radiology services, to extend the term of the Agreement for 12 months, effective July 1, 2009 through June 30, 2010, at the current rates listed in the Agreement, at an estimated annual cost of \$2,138,000.
- 5. Delegate authority to the Interim Director of Health Services, or his designee, to negotiate and execute agreements through June 30, 2010, as needed, with additional qualified registry agencies for physician services in anesthesiology, radiology, cardiology and oncology, using previously approved formats, upon review and approval of County Counsel and the Chief Executive Office.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of the recommended actions will allow the Interim Director of Health Services, or his designee, to sign amendments with APG, SFVAMG, PAPG, NMR, Mediscan, and USCRA, substantially similar to Exhibits I through VI, to extend the term of each Agreement for 12 months for the continued provision of as-needed and part-time physician anesthesiology and physician speciality medical radiology, cardiology, and oncology services. The Agreements are slated to expire on June 30, 2009.

The recommendation to increase NMR's annual maximum obligation for this FY and next FY will provide anesthesiologist coverage for scheduled patient surgeries at the HDHS Ambulatory Surgery Center. Additional services are required from NMR due to the absence of HDHS's anesthesiologist who sustained an injury and returned with medical restrictions. Currently, assistance of a locum tenens anesthesiologist has been required one day per week.

It has been difficult to recruit and retain qualified physician anesthesiologists and other physician specialists in as-needed or part-time County employment. For a number of years, the County has contracted with private agencies and medical groups for the provision of as-needed and part-time physician anesthesiologists and other physician

specialists to address critical staffing shortages, peak workloads, unexpected emergencies, and vacation coverage.

Approval of the amendments is necessary to maintain the availability of as-needed and part-time physicians to cover critical Department of Health Services (DHS or Department) patient care services. The Department is currently reviewing and assessing all of the physician services and temporary medical personnel services agreements Department-wide in an effort to consolidate and standardize the contracting process. During the requested extension period, DHS will be returning to your Board with recommendations for all of the Agreements going forward.

## Implementation of Strategic Plan Goal

The recommended actions support Goal 4, Health and Mental Health of the County Strategic Plan.

## FISCAL IMPACT/FINANCING

The rates remain the same for each Agreement through the one year extension period. Usage under each agreement varies, depending on each facility's service needs. The \$18,000 increase for NMR for FY 2008-09 is included in the FY 2008-09 Final Budget.

## Physician Anesthesiology Services (APG, SFVAMG, PAPG and NMR):

Facility	FY 2009-10 <u>Estimated Annual Cost</u>
Harbor-UCLA M.C.	\$1,768,000
Martin Luther King, Jr. MACC	\$ 500,000
Olive View –UCLA M.C.	\$2,282,000
High Desert Health Systems	\$ 90,000

## Physician Specialty Medical Services (Mediscan)

Facility	FY 2009-10  Maximum Obligation
Harbor-UCLA M.C.	\$ 138,000
Long Beach CHC	\$ 205,000
High Desert Health Systems	\$ 434,000

## Physician Radiology Services (USCRA)

LAC+USC Medical Center
Juvenile Court H S

\$2,101,000 \$ 37,000

The total estimated cost for the six Agreements for temporary physician services is \$7,555,000 for FY 2009-10. Funding is included in the FY 2009-10 Proposed Budget.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

## Physician Anesthesiology Services

On June 5, 2001, your Board approved agreements with two current contractors, APG and SFVAMG, and also delegated authority to the Director to execute form agreements with other interested registry agencies determined to be qualified through a DHS Certification/Questionnaire process, following review and approval by County Counsel. On March 11, 2003, your Board approved an Agreement with NMR at higher rates previously approved to obtain staff to work at HDHS. On January 25, 2006, the Department used its delegated authority to enter into an agreement with PAPG to provide services at Olive View-UCLA Medical Center.

On November 29, 2005, your Board approved amendments to increase the hourly rates offered for anesthesia services from APG, SFVAMG, and NMR. On May 16, 2006, your Board approved amendments to extend the terms of the agreements with APG, SFVAMG, PAPG, and NMR through June 30, 2009 for the continued provision of physician anesthesiology services.

Physician anesthesiology services are designed to be used only on an as-needed basis (e.g. critical staffing shortages, peak workloads, unexpected emergencies, and vacation coverage) when County staff is not available to provide the necessary services. Under the administrative direction of the respective DHS facility's medical director, or his/her designee, contracted physician anesthesiologists perform scheduled general anesthesia, supervise the clinical work of Certified Registered Nurse Anesthetists, and provide off-site availability by being "on-call".

Each physician must be either board-certified or board-eligible, and their specialty recognized by the American Medical Association. They must meet the credentialing requirements of each County facility, which includes a review of the physician's malpractice history, join the medical staff and comply with the Professional Staff Association Bylaws of the County hospitals. There is no overtime or additional compensation for weekends or holidays for contractor's physician anesthesiologist personnel. The Agreements do not obligate the County to use any services from the contractors during the term of the Agreement. In addition, the Agreements

acknowledge the County's right to contract with other providers and to perform physician anesthesiology services itself, using County personnel.

## Physician Specialty Medical Services

On June 15, 2004, your Board approved delegated authority to the Director of Health Services, or his designee, to negotiate and execute form agreements, upon review and approval of County Counsel and the Chief Executive Officer, for physician specialists on a part-time/intermittent basis in the areas of radiology, cardiology and oncology, to address critical staffing shortages and unexpected emergencies at DHS facilities.

On February 6, 2007, the Department used its delegated authority to enter into the current physician specialty Agreement with Mediscan through June 30, 2009.

## Physician Radiology Services

For a number of years, the County has contracted with USCRA for the provision of physician radiology services on a part-time/intermittent basis to address critical staffing shortages and unexpected emergencies at DHS facilities, but primarily at LAC+USC Medical Center. On June 15, 2004, your Board approved the renewal of the Agreement with USCRA effective July 1, 2004 through June 30, 2009.

The as-needed specialty medical services are provided in accordance with the needs of the DHS facilities and under the administrative direction of the DHS facility's medical director.

County Counsel has approved Exhibits I through VI as to form.

## **CONTRACTING PROCESS**

The Physician Anesthesiology and Physician Specialty Medical Services Agreements will continue to be offered to other interested and qualified providers on an as-needed basis during the term of the Agreements.

## IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the recommended amendments will ensure the continued provision of critically needed physician anesthesiology and physician specialty medical services at DHS facilities.

## CONCLUSION

When approved, DHS requires three signed copies of your Board's action.

Respectfully submitted,

John F. Schunhoff, Ph.D.

Interim Director

JFS:gh

Attachments (6)

c: Chief Executive Office Acting County Counsel Executive Officer, Board of Supervisors

Physician Registry Services. BL

## SPECIALTY MEDICAL SERVICES AGREEMENT

(Temporary Physician Anesthesiologist)

### AMENDMENT NO. 3

THIS AMENDMENT is ma	ade and entered into this day of
, 2009,	
by and between	COUNTY OF LOS ANGELES (hereinafter "County"),
and	ANESTHESIA PROVIDER GROUP (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "SPECIALTY MEDICAL SERVICES AGREEMENT (Temporary Physician Anesthesiologist)", dated June 5, 2001, and further identified as County Agreement No. H-212400, and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term, and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

- 1. This Amendment shall become effective on July 1, 2009.
- 2. Paragraph 2, Term and Termination, Subparagraph 1, shall be revised as follows:

- "2. TERM AND TERMINATION: The term of this Agreement shall commence on July 1, 2001, and shall continue in full force and effect to midnight June 30, 2010. In any event, this Agreement may be terminated at any time, with or without cause, by Contractor, upon giving at least thirty (30) days prior written notice to County."
- 3. During the extended period, Contractor shall be compensated according to the same payment provisions and same rate(s) as specified in the Agreement.
- 4. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

/

1

1

1

1

1

,

1

/

1

and the same of th

1

1

COUNTY OF LOS ANGELES
John F. Schunhoff, Ph.D. Interim Director of Health Services
ANESTHESIA PROVIDER GROUP Contractor
Ву
Signature
Print Name
Title
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM: COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION

AMEND:APG gh:02/23/09

## SPECIALTY MEDICAL SERVICES AGREEMENT

(Temporary Physician Anesthesiologist)

#### AMENDMENT NO. 3

THIS AMENDMENT is ma	de and entered into this	day of
, 2009,		
by and between	COUNTY OF LOS At (hereinafter "County")	
and	SAN FERNANDO VA MEDICAL GROUP, II (hereafter "Contracto	NC.,

WHEREAS, reference is made to that certain document entitled "SPECIALTY MEDICAL SERVICES AGREEMENT (Temporary Physician Anesthesiologist) ", dated June 5, 2001, and further identified as County Agreement No. H-212401, and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term, and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

- 1. This Amendment shall become effective on July 1, 2009.
- 2. Paragraph 2, Term and Termination, Subparagraph 1, shall be revised as follows:

- "2. TERM AND TERMINATION: The term of this Agreement shall commence on July 1, 2001 and shall continue in full force and effect to midnight June 30, 2010. In any event, this Agreement may be terminated at any time, with or without cause, by Contractor, upon giving at least thirty (30) days prior written notice to County."
- 3. During the extended period, Contractor shall be compensated according to the same payment provisions and same rate(s) as specified in the Agreement for the prior calendar month term.
- 4. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

1

/

/

1

1

1

/

/

1

/

/

1

COUNTY OF LOS ANGELES
Ву
John F. Schunhoff, Ph.D.
Interim Director of Health Services
SAN FERNANDO VALLEY ANESTHESIA
MEDICAL GROUP, INC.
Contractor
Ву
Signature
Print Name
Title
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM: COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION

AMEND:SFVAMG gh:02/27/09

Contract No. H-701850-2

## SPECIALTY MEDICAL SERVICES AGREEMENT

(Temporary Physician Anesthesiologist)

#### AMENDMENT NO. 2

THIS AMENDMENT is ma	ade and entered into this day of
	, 2009,
by and between	COUNTY OF LOS ANGELES (hereafter "County"),
and	PACIFIC ANESTHESIA PROVIDER GROUF (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "SPECIALTY MEDICAL SERVICES AGREEMENT (Temporary Physician Anesthesiologist)", dated January 25, 2006, and further identified as County Agreement No. H-701850, and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term, and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

- 1. This Amendment shall become effective on July 1, 2009.
- 2. Paragraph 2, Term and Termination, Subparagraph 1, shall be deleted in its entirety and replaced as follows:

- "1. <u>TERM</u>: The term of this Agreement shall commence on January 25, 2006, and shall continue in full force and effect to midnight June 30, 2010."
- 3. Paragraph 7, <u>INDEMNIFICATION AND INSURANCE</u>, Subparagraph B. <u>Insurance</u>, add (4) <u>Automobile Liability Insurance</u> as follows:
- "(4) Automobile Liability Insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 Million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto"."
- 4. During the extended period, Contractor shall be compensated according to the same payment provisions and same rate(s) as specified in the Agreement.
- 5. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

/

/

/

1

1

1

1

1

/

1

1

COU	NTY OF LOS ANGELES
Ву	
	lohn F. Schunhoff, Ph.D. nterim Director of Health Services
PAC	IFIC ANESTHESIA PROVIDER GROUF
	Contractor
Ву	
	Signature
	Print Name
Title_	
	(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM: COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION

AMEND:PAPG gh:04/20/09

Contract No. H-700106-3

## SPECIALTY MEDICAL SERVICES AGREEMENT

(Temporary Physician Anesthesiologist)

#### AMENDMENT NO. 3

THIS AMENDMENT is ma	ade and entered into this	day of
, 2009,		
by and between	COUNTY OF LOS AN (hereinafter "County")	
and	NATIONAL MEDICAL (hereafter "Contracto	•

WHEREAS, reference is made to that certain document entitled "SPECIALTY MEDICAL SERVICES AGREEMENT (Temporary Physician Anesthesiologist)", dated March 11, 2003, and further identified as County Agreement No. H-700106, and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to increase the maximum obligation for Fiscal Years 2008-2009 and 2009-2010, and to extend the term of the Agreement an additional 12 months through June 30, 2010, and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

- 1. This Amendment shall become effective upon the date of Board approval.
- 2. Paragraph 2, Subparagraph 1 of Agreement, Term and Termination, shall be revised as follows:

- "2. TERM AND TERMINATION: The term of this Agreement shall commence on June 2, 2003, and shall continue in full force and effect to midnight June 30, 2010. In any event, this Agreement may be terminated at any time, with or without cause, by Contractor, upon giving of at least thirty (30) days prior written notice to County."
- 3. Paragraph 4, Subparagraph G of Agreement, <u>BILLING AND PAYMENT</u>, shall be revised to read as follows:
- "G. During the period July 1, 2006 through June 30, 2007, the maximum obligation of County for all services provided hereunder shall not exceed Seventy-Two Thousand Dollars (\$72,000).

During the period of July 1, 2007 through June 30, 2008, the maximum obligation of County for all services provided hereunder shall not exceed Seventy-Two Thousand Dollars (\$72,000).

During the period of July 1, 2008 through June 30, 2009, the maximum obligation of County for all services provided hereunder shall not exceed Ninety Thousand Dollars (\$90,000).

During the period of July 1, 2009 through June 30, 2010, the maximum obligation of County for all services provided hereunder shall not exceed Ninety Thousand Dollars (\$90,000).

5. During the extended period, Contractor shall be compensated according to the same payment provisions and same rate(s) as specified in the Agreement for the prior calendar month term.

6. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Interim Director of Health Services and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES
Ву
John F. Schunhoff, Ph.D. Interim Director of Health Services
NATIONAL MEDICAL REGISTRY, INC.
Contractor
Ву
Signature
Print Name
Title
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM: COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION

AMEND:NMR ah:02/27/09

## PHYSICIAN SPECIALTY MEDICAL SERVICES AGREEMENT

(Physician Registry Services)

### AMENDMENT NO. 1

THIS AMENDMENT is ma	ade and entered into this day of
, 2009,	
by and between	COUNTY OF LOS ANGELES (hereinafter "County"),
and	MEDISCAN DIAGNOSTIC SERVICES, INC. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "PHYSICIAN SPECIALTY MEDICAL SERVICES AGREEMENT (Physician Registry Services) ", dated February 6, 2007, and further identified as County Agreement No. H-702620; and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term, and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

- 1. This Amendment shall become effective on July 1, 2009.
- 2. Paragraph 2, Term and Termination, Subparagraph 1, shall be revised as follows:

- "2. TERM AND TERMINATION: The term of this Agreement shall commence on February 6, 2007, and shall continue in full force and effect to midnight June 30, 2010. Except as otherwise set forth below, this Agreement may be terminated at any time by either party; with or without cause, upon the giving of at least thirty (30) calendar days advance written notice thereof to the other."
- 3. During the extended period, Contractor shall be compensated according to the same payment provisions and same rate(s) as specified in the Agreement.
- 4. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

/

1

1

1

/

1

1

1

1

/

/

1

COI	JNTY OF LOS ANGELES
Ву	
	John F. Schunhoff, Ph.D.
	Interim Director of Health Services
	MEDISCAN DIAGNOSTIC SERVICES, INC
	Contractor
	Ву
	Signature
	Print Name
	Title
	(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM: COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION

AMEND:MEDISCAN gh:03/17/09

## PHYSICIAN SPECIALTY MEDICAL SERVICES AGREEMENT (Physician Registry Services)

## AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this		day of
 , 2009,		
by and between	COUNTY OF LOS ANGELE (hereinafter "County"),	ES
and	USC RADIOLOGY ASSOC (hereafter "Contractor").	IATES, INC.,

WHEREAS, reference is made to that certain document entitled "PHYSICIAN SPECIALTY MEDICAL SERVICES AGREEMENT (Physician Registry Services) ", dated July 1, 2004 and further identified as County Agreement No. H-700283; and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term, and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

- 1. This Amendment shall become effective on July 1, 2009.
- 2. Paragraph 2, Term and Termination, Subparagraph 1, shall be revised as follows:

- "2. TERM AND TERMINATION: The term of this Agreement shall commence on July 1, 2004 and shall continue in full force and effect to midnight June 30, 2010. Except as otherwise set forth below, this Agreement may be terminated at any time by either party; with or without cause, upon the giving of at least thirty (30) calendar days advance written notice thereof to the other."
- 3. During the extended period, Contractor shall be compensated according to the same payment provisions and same rate(s) as specified in the Agreement.
- 4. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

Shannan and a

/

1

/

/

1

1

/

1

1

1

1

By

John F. Schunhoff, Ph.D.
Interim Director of Health Services

USC RADIOLOGY ASSOCIATES, INC.
Contractor

By
Signature

Print Name

Title

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM: COUNTY COUNSEL

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION

AMEND:USCR gh:03/27/09